## **Introduced by Senator Ashburn**

February 27, 2009

An act to amend Section 33000 of the Health and Safety Code, relating to redevelopment add Section 10752.5 to the Revenue and Taxation Code, relating to vehicle license fees.

## LEGISLATIVE COUNSEL'S DIGEST

SB 636, as amended, Ashburn. Redevelopment. Vehicle license fees. The Vehicle License Fee Law establishes, in lieu of any ad valorem property tax upon vehicles, an annual license fee for any vehicle subject to registration in this state in the amount of 0.65% of the market value of that vehicle, as provided. Existing law, on and after May 19, 2009, increases that rate to 1%, for specified vehicles and requires that the revenues derived from the increase be deposited into the General Fund. Existing law, on and after May 19, 2009, also adds a sum equal to 0.15% of the market value of specified vehicles, as determined by the Department of Motor Vehicles, to the vehicle license fee, and requires that this sum be deposited in the General Fund and transferred to the Local Safety and Protection Account, which is continuously appropriated for specified purposes.

This bill would state that the additional revenue resulting from these increases in the vehicle license fee not be deemed to be part of the revenues derived from the 0.65% rate for purposes of a local ordinance that governs the expenditure of funds received by the local government from the vehicle license fee.

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The Community Redevelopment Law authorizes the establishment of redevelopment agencies for the purpose of protecting and promoting the sound development and redevelopment of blighted areas, as defined.

This bill would make a technical, nonsubstantive change in that law.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 10752.5 is added to the Revenue and 2 Taxation Code, to read:
- 3 10752.5. (a) The additional revenue resulting from the 4 amendments made to Sections 10752, 10752.1, and 10752.2 by
- 5 Chapter 18 of the Statutes of 2009, Third Extraordinary Session,
- 6 is not revenue derived from taxes imposed pursuant to this part
- 7 that is subject to subdivision (a) of Section 15 of Article XI of the
- 8 California Constitution, for purposes of a local ordinance that
- 9 governs the expenditure of funds received by a local government
- 10 agency from the taxes imposed pursuant to this part.
  - (b) This section shall cease to be operative on July 1, 2011, unless the Director of Finance makes the notification pursuant to Section 99040 of the Government Code, in which case this section
- 14 shall cease to be operative on July 1, 2013.
- SECTION 1. Section 33000 of the Health and Safety Code is amended to read:
- 17 33000. This part shall be known and may be cited as the
- 18 Community Redevelopment Law.

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